BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA [Lake Wylie, South Carolina]

HEARING #18-11711

MARCH 6, 2018

6:30 P.M.

DOCKET NO. 2017-292-WS:

CAROLINA WATER SERVICE, INC. — Application for Approval of an Increase in Its Rates for Water and Sewer Services

TRANSCRIPT OF TESTIMONY AND PROCEEDINGS

VOLUME 1

HEARING BEFORE: Swain E. WHITFIELD, CHAIRMAN; Comer H. 'Randy' RANDALL, VICE CHAIRMAN; and COMMISSIONERS John E. 'Butch' HOWARD, Elliott F. ELAM, Jr., Elizabeth B. 'Lib' FLEMING, Robert T. 'Bob' BOCKMAN, and G. O'Neal HAMILTON

ADVISOR TO COMMISSION: Josh Minges, Esq.

LEGAL ADVISORY STAFF

STAFF: Jocelyn G. Boyd, Chief Clerk/Administrator; James Spearman, Ph.D., Executive Assistant to Commissioners; David W. Stark, III, Esq., Legal Advisory Staff; William O. Richardson, Technical Advisory Staff; Afton Ellison, Clerk's Staff; Jo Elizabeth M. Wheat, CVR-CM/M-GNSC, Court Reporter

APPEARANCES:

SCOTT ELLIOTT, ESQUIRE, representing CAROLINA WATER COMPANY, INC., APPLICANT

MICHAEL KENDREE, ESQUIRE, representing YORK COUNTY, SOUTH CAROLINA, INTERVENOR

FLORENCE P. BELSER, ESQUIRE, representing THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF

Public Service Commission of South Carolina

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PROCEEDINGS

CHAIRMAN WHITFIELD: I'll call this public hearing of the Public Service Commission of South Carolina to order, and I'd like to welcome you all here. Tonight is your night. We've come out to your local community to hear from you, and you'll be given some instructions from both our attorney here in just a minute, and also from the attorney from the South Carolina Office of Regulatory Staff.

But I'd like to start by introducing my fellow Commissioners. On my far right, we have Commissioner Elliott Elam from the Second District, representing the Second District. Beside him, we have Commissioner Bob Bockman, representing the Sixth District. Next to me, immediately on my right, we have Commissioner Lib Fleming, representing the Fourth District. On my far left, all the way down at the end, we have Commissioner Butch Howard, representing the First District. Next to him, we have Commissioner O'Neal Hamilton, representing the Seventh District. And then beside Commissioner Hamilton, we have Commissioner Randall, who is also Vice Chairman of the Commission, and representing the Third District. And beside me, we have our attorney, Josh Minges,

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who will be our attorney this evening up here on
the bench with us. And way in the back, I think
many of you may have met her, we have our Executive
Director, Ms. Jocelyn Boyd, back in the back, back
there.

At this time, though, again, tonight is about you, and we want to hear from each and every one of you who has signed up to speak. We want everybody to show courtesy and respect to each speaker. We only have two working microphones in here tonight, this one [indicating] and the one at the podium, so I'm going to ask ORS to utilize that microphone since they don't have a microphone at their table that is operational tonight.

But, at this time, I'm going to turn it over to our attorney, Josh Minges, to read the docket.

MR. MINGES: Thank you, Mr. Chairman.

Good evening, folks. Please silence your phones. Also, please sign in at the back if you want to speak this evening.

This proceeding before the Public Service

Commission in Docket No. 2017-292-WS concerns the

Application of Carolina Water Service,

Incorporated, for a rate increase.

This public hearing has been scheduled on

1	March 6, 2018, at the Thunderbird Campground in
2	Lake Wylie, South Carolina.
3	Now, at this time, I'll get the Office of
4	Regulatory Staff and the company to introduce
5	themselves.
6	MR. ELLIOTT: Mr. Chairman, I'm Scott Elliott.
7	I represent Carolina Water in this matter.
8	I would mention, for the benefit of the
9	Commission and for our ratepayers, that present are
10	a large number of our staff. In particular,
11	Catherine Heigel, our company president. So if you
12	have questions after this hearing, please feel free
13	to speak to any of these folks.
14	And just as a procedural matter, I would
15	mention that, with agreement of ORS, we will
16	reserve all objections to testimony until the time
17	of the hearing.
18	Thank you, Mr. Chairman.
19	MS. BELSER: Thank you, Mr. Chairman. I hope
20	you can see me over here. I don't like to have my
21	back to the audience nor my back to the Commission,
22	so, if you don't mind me standing to the side,
23	that's what I'll do.
24	Ladies and gentlemen, my name is Florence
25	Belser. I'm an attorney with the South Carolina

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Office of Regulatory Staff. I'd like to thank you for coming out tonight to provide your comments regarding the rate case filed by Carolina Water Service. We certainly appreciate your participation and your interest.

Please realize that your comments tonight, your testimony, will become part of the record of this case. Ms. Wheat over here [indicating] is a court reporter, and she will be taking down what is said in the hearing tonight.

The Public Service Commission has scheduled this hearing to receive your input. Now, you may hear the Public Service Commission referred to by the full name, you may hear them referred to as the PSC, or the Commission, but we're all talking about this body that's seated at the table in front. The Commission is charged with making a decision on the Application filed by Carolina Water Service. The Commission sits as a quasi-judicial body. They act as a board of judges in deciding this case.

My agency is known as the Office of Regulatory Staff, or ORS. We are a separate agency from the Public Service Commission. I know it's confusing sometimes with who is what party or who is doing what. But the ORS is charged with representing the

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public interest in utility matters, and we go out and do investigations or audits and then make recommendations or present our findings to the Commission in the hearing before the Commission that will be held in Columbia.

We are separate agencies, and a lot of people get that confused, but just know that you can talk to us — and I'll explain that a little bit more in a moment.

The Commission, as a quasi-judicial body, is bound by the Code of Judicial Conduct. I know that sounds funny, but they are bound by the same rules as judges. They cannot talk or comment on this case or any other case that is before them or likely to come before them. It's not that they don't want to talk with you. They are very knowledgeable and they're people people. They like talking to people. But the canons under which they have to operate prohibit them from discussing this case with you.

So as you present your testimony or your comments tonight, please make your statement in the form of a statement. They cannot answer your questions.

As Mr. Elliott just acknowledged, there are

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members from the company that can answer your questions. With me tonight is Matt Schellinger; he's also on the ORS staff. We will stay after the hearing, if you have issues with service or issues regarding your water or sewer service, we will try to talk with you. If we can't help you, we can take your name and number and have someone from our Consumer Services Department give you a call.

I want to mention about the Code of Judicial Conduct again. The reason that that is in place is to ensure impartiality and fairness in all proceedings. It wouldn't be fair for one party or one group to be able to talk to the decision-maker without the other party there. Just like you can't go and talk to a judge that's trying a civil or criminal case or a family court case, they can't talk about this case.

If you need to contact ORS, you're welcome to contact our Consumer Services Division in Columbia. We can be reached at a toll-free number. I can give that number to you now, if — some of you, I see, have things to write with. That number is 1-800-922-1531. Let me tell you that again: 1-800-922-1531. Our Consumer Services Staff is available during regular business hours Monday through

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Friday, 8:30 to 5. And, like I said, Matt and I
will be glad to speak with any of you after the
hearing. We can't talk during the hearing, because
we need to listen to the testimony, but we will be
glad to speak with you, as well as the company
representatives.

Mr. Chairman, thank you very much [indicating].

Mr. Chairman, I'm sorry. I apologize. I have one other thing. I would ask, as the first hearing exhibit, that the sign-in sheets from tonight's hearing be marked and entered into the record of this case.

CHAIRMAN WHITFIELD: Thank you, Ms. Belser.
We'll make the sign-in sheets Hearing Exhibit No.

1. And, Ms. Belser, we thank you for your instructions regarding this evening.

Before we go any further, we do have a couple of other parties who are Intervenors in this case, in this proceeding. And if you are here — if they happen to be here — as I call your name or your entity, if you would stand up and be recognized, so we can identify you as an Intervenor in this case.

Michael Kendree, for York County? You here, sir?

1	MR. KENDREE: Yes, sir.
2	CHAIRMAN WHITFIELD: Okay. Laura Valtorta,
3	Forty Love Homeowners? Ms. Valtorta, are you here?
4	[No response]
5	And James Knowlton, who is a <i>pro se</i> litigant,
6	are you here, Mr. Knowlton?
7	[No response]
8	I don't see him.
9	At this time, the Commission has historically
LO	recognized any local elected officials. I
L1	understand from our attorney that Ms. Allison Love
L2	is here and would like to be heard — would actually
L3	like to speak, but at the end, I believe. Is that
L4	correct?
L5	MS. LOVE: Yes.
L6	CHAIRMAN WHITFIELD: Okay. Thank you.
L7	At this time, I'm going to turn it over to Mr.
L8	Minges, our attorney, to call you to come forward,
L9	with the sign-in sheet. I would ask again, as Ms.
20	Belser emphasized, but please remain at the podium
21	after your testimony is done, so that our court
22	reporter can get all this in the record and so it
23	gives me the opportunity to see if there — I would

it, as well — but to give me an opportunity to see

1	if there are any questions from either the company,
2	or from ORS, or from any of the Intervenors, or
3	from Commissioners. And, again, Commissioners
4	cannot answer any questions — any of your
5	questions, but the Commissioners may have questions
6	for you.
7	So at this time, Mr. Minges.
8	MR. MINGES: Thank you, Mr. Chairman.
9	And just one other last reminder. So that
10	everyone will have a chance to speak tonight, the
11	testimony is limited to three minutes.
12	With all that said, Lee Kehler, would you
13	please come forward?
14	[Witness sworn/affirmed]
15	THEREUPON came,
16	LEE KEHLER,
17	who, having been first duly affirmed, testified as follows:
18	MR. RICHARDSON: Please state your name and
19	address, for the record.
20	WITNESS: My name is Lee Kehler. I live at 95
21	Heritage Drive, River Hills.
22	The purpose of me being here tonight is not to
23	chastise anybody for an increase, but it's to
24	explain a circumstance that came my way as a
25	resident. I was asked by CWS, or their

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representative, if I would allow them to do a water analysis of my home. We've lived here for 12 It's a 1983 bungalow. And I said, "Yes. please do." Good business. They sent me the honest results of that test and, quite frankly, I couldn't believe what I saw. And I'll leave it up to you that are more knowledgeable than I am as to what their diagnosis of our water is. I came here early tonight to make sure that the attorneys here all had a copy of it, so they could look at it and it could be part of the record. I won't dwell on that, other than one special component, and that's lead. This is dated 12/6/16. The lead, your results, was .019 parts per million. EPA action level, called "AL," is .05 ppm. EPA maximum contamination level goal is zero parts per million.

So as I read the letter, another thing struck me. It says children can slow slight deficits — show, rather, slight deficits in attention span and their learning abilities. Adults who drink this water over many years could develop kidney problems or high blood pressure.

I have high blood pressure. I moved here from a city that didn't have any water issues. So the question in my mind: You people have all got — you

1	will have copies of these. They gave me six
2	choices to do, for me to resolve my problem.
3	Somehow, I find that inconsistent, standing in
4	front of the customer and asking for a raise when,
5	clearly, the water levels in my home do not meet
6	the standards of the EPA.
7	Thank you.
8	CHAIRMAN WHITFIELD: Wait just one second, Mr.
9	Kehler. Just one second. Before we take any
LO	questions, if you're done with your testimony, did
L1	you want to enter that in as evidence, your —
L2	WITNESS: Yes.
L3	CHAIRMAN WHITFIELD: Okay. You said that
L4	early on. We're going to enter that in as Hearing
L5	Exhibit No. 2.
L6	And if you'll hold on just a moment, let's see
L7	if there are any questions for you.
L8	Mr. Elliott, any questions from the company?
L9	MR. ELLIOTT: No questions. Thank you.
20	CHAIRMAN WHITFIELD: Ms. Belser, any questions
21	from ORS?
22	MS. BELSER: No questions
23	CHAIRMAN WHITFIELD: Commissioners, any
24	questions? Commissioner Howard.
25	<

BY COMMISSIONER HOWARD:

Mr. Kehler.

Yes, sir.

EXAMINATION Were you able to identify where the source of the lead was, where the lead was? I do have copper pipe in my home, as most folks have. The pipe that goes from the road to my home is plastic. So, I don't, but I followed the very specific instructions that they gave me as to how that water was to be tested and when, inside the home, so I feel they're — I gave them an honest test of my water, and I can't really explain anything further than that.

- What time of day did you test your water? 14
- 15 This was back in the fall of last year.
- I mean, what time of day? Morning? Afternoon? 16
- Oh, I don't recall. They gave me very specific times to 17 18 do that: run the water, take it, and -
- You answered my question. 19
- 2.0 I followed those instructions.
- 2.1 Thank you.
- 22 Okay.

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- CHAIRMAN WHITFIELD: Mr. Kehler, hang on one 23 24 second, before I go back to Commissioner questions.
- We did have one Intervenor present tonight, Mr. 25

1		Michael Kendree, and, sir, I need to ask if you
2		have any questions for this witness.
3		MR. KENDREE: Thank you, no, sir.
4		CHAIRMAN WHITFIELD: No questions on behalf of
5		York County.
6		MR. KENDREE: No questions.
7		CHAIRMAN WHITFIELD: All right.
8		Commissioners. We're back — Commissioner Elam.
9		Mr. Kehler, hang on one second.
10		EXAMINATION
11	BY	COMMISSIONER ELAM:
12	Q	Good evening. Have you had any further testing of the
13		water?
14	A	No. The only reason I'm here tonight is that I feel
15		very proud to be a resident of River Hills, and we have
16		a demographic in this community, as you probably know,
17		that half of this community was originally over 65 years
18		old. And I share the responsibility to those people to
19		make sure that they have everything they need as senior
20		citizens, and our children.
21	Q	Can you tell me how old your house is?
22	A	It was built, I believe, in 1983.
23	Q	Okay. What about the faucets? Are there original
24		faucets from the '80s?
25	A	No, that's all been replaced. I have a wife.

1		[Laughter]
2		So, no.
3	Q	If you're sure you want to say that, we'll leave it on
4		the record.
5	A	Put it on the record. At the moment, I do.
6	Q	You're a braver man than I am. Thank you, sir.
7	A	Thank you, sir.
8		COMMISSIONER FLEMING: I just want to say, I
9		think you should be thankful you have a smart wife,
LO		it sounds like.
L1		WITNESS: Yes, ma'am, absolutely.
L2		[Laughter]
L3		CHAIRMAN WHITFIELD: Any other Commissioner
L4		questions for this witness, for Mr. Kehler?
L5		[No response]
L6		EXAMINATION
L7	BY	CHAIRMAN WHITFIELD:
L8	Q	If not, I do have one for you, sir, just kind of a
L9		clarification for me. You said the company voluntarily
20		approached you; you didn't — or did you ask them to come
21		do this assessment?
22	A	You know, I am not clear as to whether at one point I
23		may have made a phone call or made a gesture that I
24		would like to have my water tested. That's not clear to
25		me at the moment.

1	CHAIRMAN WHITFIELD: Okay. Well, thank you,
2	sir. I don't see any further Commissioner
3	questions at this time, so thank you for your
4	testimony, and you may step down, sir.
5	WITNESS: Thank you.
6	[WHEREUPON, the witness was excused.]
7	CHAIRMAN WHITFIELD: Next witness?
8	MR. MINGES: Gerald Tanser _[sic] , would you please
9	come forward.
LO	[Witness affirmed]
L1	THEREUPON came,
L2	GERALD TANSEY,
L3	who, having been first duly affirmed, testified as follows:
L4	MR. RICHARDSON: Give your name and address
L5	for the record.
L6	WITNESS: My name is Gerald Tansey, 4154
L7	Charlotte Highway, Clover, South Carolina.
L8	CHAIRMAN WHITFIELD: Could you spell your last
L9	name for us, please, sir?
20	WITNESS : T-a-n-s-e-y.
21	CHAIRMAN WHITFIELD: Thank you, sir.
22	WITNESS: Okay. I've got an exhibit here, and
23	it's an article about Carolina Water. It states
24	that Ralph Norman doesn't want to see the approved
25	rates that Carolina Water can get. I think most

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people agree 15 to 30 percent is pretty absurd.

Social Security will not give me that increase, so I think it puts a hardship on people. Most people agree about the quality of water — you know, their ring around the toilet, their stained shower curtains, and such, you know, so I don't think the quality meets the standards for an increase in water. And I believe somebody from the State of South Carolina down in Columbia was just hired by Carolina Water to be one of their executives, and I'm just hoping that all the Commissioners here see that there is no collusion going on or any favors being done or, you know, any greasing of the hand.

And that's about all I have to say, and you

can have this for evidence [indicating].

CHAIRMAN WHITFIELD: Mr. Tansey, we'll take judicial notice of the article. We typically don't enter those in as exhibits because it's a published

article by someone else, but we will take judicial

notice that you referenced it in your testimony.

WITNESS: Well, it says here in the article that Mr. Norman contacted people in York County. He contacted the Public Service Commission of the State, and federal leaders. So it might be something you want to check into, in your back

1	records, to see what he sent you.
2	CHAIRMAN WHITFIELD: Sure. Why don't you hand
3	that to our court reporter, or hand it to Mr.
4	Richardson there, and we will take notice of it.
5	And, excuse me, one second, sir.
6	Mr. Kehler, at the end of this, we do — our
7	court reporter does need to get your exhibit, as
8	well.
9	So, with that, Mr. Tansey — any questions, Mr.
10	Elliott, from the company, of this witness?
11	MR. ELLIOTT: No questions of Mr. Tansey.
12	CHAIRMAN WHITFIELD: Any questions from South
13	Carolina Office of Regulatory Staff, of this
14	witness?
15	MS. BELSER: No questions, Mr. Chairman.
16	CHAIRMAN WHITFIELD: And, Mr. Kendree, York
17	County, any questions?
18	MR. KENDREE: No questions, Mr. Chairman.
19	CHAIRMAN WHITFIELD: Okay. Thank you, sir.
20	Any Commissioners, questions of Mr. Tansey?
21	[No response]
22	Well, hearing none, thank you, Mr. Tansey, for
23	appearing and for your testimony, and you may step
24	down, sir.
25	[WHEREUPON, the witness was excused.]

1	[WHEREUPON, Hearing Exhibit Nos. 2 and 3
2	were marked and received in evidence.]
3	MR. MINGES: Mr. Chuck Ledford, if you would
4	please come forward.
5	[Witness affirmed]
6	THEREUPON came,
7	CHUCK LEDFORD,
8	who, having been first duly affirmed, testified as follows:
9	MR. RICHARDSON: State your name and address
10	for the record.
11	WITNESS: My name is Chuck Ledford. My wife
12	and I live at 1550 Woodcroft Drive, in Fort Mill,
13	which is real close to the Tega Cay area.
14	I have a transcript of what I'm getting ready
15	to say, if you so desire, for each one of you.
16	Would anyone care for a copy?
17	CHAIRMAN WHITFIELD: When you're done, if you
18	would, give a copy of that to our court reporter.
19	WITNESS: Okay, I surely will. Okay. My wife
20	and I, we're both retired. We live in an 1800
21	square foot house in Carowood Development. Some
22	hundred families live in the development. We don't
23	have swimming pools. We don't have an irrigation
24	system, so wanted to make sure that you realize
25	that.

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I want to thank you for the opportunity to provide some functional information, or factual information regarding the rate-increase Application of Carolina Water Service. It's not by choice that I have been a customer of theirs since 1986; it's out of necessity. My land will not perc and, as a result, I need a sewage disposal system — which was in place when I bought the property. So I've been a customer of theirs for 31 years, and I have compiled a huge amount of billing and usage information regarding this company. I don't know how far the Commission goes back, but my records actually go back to 1989. People say, "How do you do that?" I run Quicken software, and I can tell you exactly how much my wife spent on getting her hair done last week or last year and who she did it with. So that's where I'm getting this information.

And going over this, I thought it was rather shocking to see the results. You know, you get your water bill and you pay it, you know. And it seems like it comes every other day. I think I get a water bill every other day — at least I feel that way. But I just used the last five years. I think the last five years have been rather significant

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for this company and what's been granted to them by this Commission. I also ran an analysis of other utility companies that provide service for me.

The first one I did was York Electric Co-op.

In 2013, my average monthly bill was \$156. In

2017, it was \$141. It's actually gone down about 9 percent in five years.

York County Natural Gas: 2013, my average bill was \$38.83. In 2017, it was \$29.56. It's down 24 percent. Now there's some things that affected that: a little more efficient furnace that I put in, and some of the things that's done there between the electric and the natural gas bill.

All righty, let's get down to Carolina Water. In 2013, my average water bill was \$85.74 for a month. In 2017, last year, my average water bill was \$131.89 per month. My average usage has stayed about the same. I think I'm the only one that really reads my water meter on a regular basis, because when I went out the other day to check it, it was under about a foot of mud. My water meter has not been read in months, so they're obviously estimating my usage.

I understand I can't ask the Commission a question, but I just wonder how many of y'all know

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what you're paying for your monthly water and sewer bill. This is out of — it's atrocious. But I submit that it's considerably less than \$131.89 per month. I have rental property in Gastonia that I rent to families. Their water bill and sewer bill is \$150 a month, on city water and sewer in Gaston County, Gastonia.

I'm running out of time. I've got 10 seconds left. During the same period of five years, my Social Security benefits went up 2.62 percent. Real generous of them, wasn't it? So it makes it sort of difficult for ends to meet with things like this going on. Carolina Water is now asking the Commission for even higher rates. I feel it's time for this Commission to do something for the citizens of this area by saying no to this rate increase. Thank you.

[Applause from audience]

CHAIRMAN WHITFIELD: Thank you, Mr. Ledford, for your testimony. Let's see if there are any questions for you.

Mr. Elliott, any questions from the company?

MR. ELLIOTT: No questions for Mr. Ledford.

MS. BELSER: No questions from -

CHAIRMAN WHITFIELD: ORS, Ms. Belser?

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MS.	BELSER:	ORS.
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CHAIRMAN WHITFIELD: Mr. Kendree, York County?

MR. KENDREE: No questions.

CHAIRMAN WHITFIELD: Commissioners, questions for Mr. Ledford? Commissioner Fleming has a

question.

EXAMINATION

BY COMMISSIONER FLEMING:

Q Good evening. Nice to have you with us tonight. Could you talk a little bit about the quality of water and the service that you have with Carolina Water Service?

You know, I read a lot of different things about my neighbors and what they're saying. My water, I think on a scale of 1 to 10, is about a five. I've got a pH problem with the water where I live. It's very acidic, and it attacks the plumbing. I've got copper pipes with lead-free solder in my house. All the faucets have been replaced. I mean, you can't even buy a faucet that'll last more than five years. You know, it gets eaten away, the seals, and corrosion is bad, from the aggressiveness of the water. It's great water to swim in, being acidic, very cleansing. You soap up real well.

We drink the water. My wife - I mean, she goes through bottled water like you wouldn't believe. She

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don't drink it anything like I do. I normally drink it for my coffee, more than anything else. But I've had people — you know, over time, you get used to it. I mean, you get used to the smell of it. You go on vacation and you come back, and the water has got sort of a musky type smell to it, where I live.

But as far as the service of these people, I've got to say, at one time they had a real problem. I've got a lift station in my backyard, and that thing was going off and the buzzer ringing every other day, and sewage was being dumped into the creek down there. And I know they came out and fined them, and all they did was ask you for a rate increase to cover that, I'm sure.

But as far as the quality of the water, I'd have to rate it about a five. You know, I go to Wally World — Walmart — to buy groceries, and I see people in there buying water by the gallons of water. It's just unbelievable how much water they buy. And most of it is drinking water that they take home and drink personally and give to their kids.

So as far as meeting all the standards, I also had an analysis done, as this other gentleman had done, at my house. And, you know, I did it the way they instructed me to do it. You know, the time that they — I think it was morning hours, they wanted me to run the

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water for so much time and then collect the sample, which is what I did. I didn't have a real lead problem in the water, because I am on a well system that's entirely different from the water that the people are on here at this facility.

I hope I've answered your question.

- Yeah. But, you as I heard you, service has improved? It has. I think it has. At one time, that lift station they had a pump and a cutter in there, and it would stop up. And I don't know if that's from the actual quality or the service that the system was getting, but it would actually quit pumping and the water would rise at that point in time and run out into the creek, which really bothered me that the raw sewage was being dumped into the creek there behind my house. And you could smell it. I mean, at my house in the summertime, you could smell the sewage.
- **Q** But that's been corrected.
- **A** No, that has not.
- **Q** Okay.
- 21 A That is still an issue that we have, and it's
 22 particularly during the summer months. And if the wind
 23 is blowing you know, my house faces south, so the wind
 24 comes primarily out of the southwest. But if it comes
 25 out of the northwest, that's when we get the issue.

1	Q Th	nank you, very much.
2	A Bu	ut my biggest thing is the amount of increase that the
3	Co	ommission has granted these people over the years is
4	ur	nbelievable, so it's time to say no.
5	Q Th	nank you.
6	A 04	kay.
7		CHAIRMAN WHITFIELD: Thank you, Commissioner
8		Fleming.
9		Any other Commissioner questions for Mr.
10		Ledford?
11		[No response]
12		Well, if not, Mr. Ledford, thank you for your
13		testimony, and you may step down, sir.
14		WITNESS: Thank you.
15		[Applause from audience]
16		[WHEREUPON, the witness was excused.]
17		MR. MINGES: Al Vesting, would you please come
18		forward.
19		[Witness affirmed]
20	THEREUF	PON came,
21		ALLEN R. VESTING,
22	who, ha	aving been first duly affirmed, testified as follows:
23		MR. RICHARDSON: Please state your full name
24		and address.
25		WITNESS: Allen Vesting, 1132 Black Walnut

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Road, Clover.

I moved here about three years ago. We moved into a block, and the builder — we got the homes, and they included the sprinkler systems in with them, because it's mostly retired people there, so we don't have to cut the grass and everything else. Then we found out at that time that we would be charged for sewer, for that water that we use for the sprinkler system that didn't go in the sewer. So me and a bunch of others, we got a plumber to come in, dug it up, put in a separate meter for our sprinkler system, so we wouldn't get charged for sewer water that wasn't going in the sewer. A year later, Carolina Water comes and says, "No good. We're going to charge everybody the same rate for sewer, no matter what you use." Now, I don't think that's fair if they're basing their sewage on the amount of water that's going out, and a lot of our block, retired people, it's two people, and you've got other people with seven people in the house. You should pay for what you use. And for them to come along and state one thing and just be able to change it in the middle of the stream, and start have one rate for that - because now I pay for the sewer one rate and I pay for two meters every

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month. And my water bill is the highest bill of everything I've got in the house.

And as far as what some of the other people say, I buy bottled water to drink because when the other gentleman was talking about changing his faucets, I have a wife that's a cleaning fool. She goes with a Q-tip on all the faucets because they're all black. Now she wants me — she's talking about changing all the faucets in the house. I mean, this would be a thing I have to do every few years, because there's this black substance that builds up around them. And these people want a raise, and they're not giving us any quality, and they just do whatever they want. I don't think they should get a raise.

That's it.

CHAIRMAN WHITFIELD: Thank you. Is it Mr. Besting?

WITNESS: Vesting.

[Applause from audience]

CHAIRMAN WHITFIELD: V-e-s-t-i-n-g?

WITNESS: Yes.

CHAIRMAN WHITFIELD: Okay. Thank you, Mr.

Vesting. Let's see if there are any questions from the company.

1	Mr. Elliott?
2	MR. ELLIOTT: I have no questions of Mr.
3	Vesting, but is it V- — as in Victor — -e-s-t-i-e?
4	WITNESS: -i-n-g.
5	MR. ELLIOTT: -i-n-g.
6	WITNESS: V-e-s-t-i-n-g.
7	MR. ELLIOTT: And I'm sorry, also, I didn't
8	catch the address.
9	WITNESS: It's 1132 Black Walnut Road.
10	MR. ELLIOTT: Black Walnut Road. Thank you.
11	WITNESS: And that's Clover
12	CHAIRMAN WHITFIELD: Okay. Is that it, Mr.
13	Elliott, from the company?
14	MR. ELLIOTT: Yes, sir. Thank you.
15	CHAIRMAN WHITFIELD: Ms. Belser, ORS?
16	MS. BELSER: No questions.
17	CHAIRMAN WHITFIELD: And Mr. Kendree, York
18	County?
19	MR. KENDREE: No, questions Mr. Chairman.
20	CHAIRMAN WHITFIELD: Okay. Commissioners,
21	questions of Mr. Vesting? Commissioner Fleming.
22	EXAMINATION
23	BY COMMISSIONER FLEMING:
24	Q Thank you for being here tonight. Have you asked
25	Carolina Water Service about what is causing the black

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A No, I haven't. It seems everybody's got it, and there's just nothing you can do about it. That's the water we get.

CHAIRMAN WHITFIELD: Commissioners, any other questions from Mr. Vesting?

WITNESS: Oh, I have one other comment,
please. I heard a rumor that York County might
take it over. I think that would be a great idea,
and get rid of them completely.

[Applause from audience]

CHAIRMAN WHITFIELD: Hold on one second. I don't think there are any further Commissioner questions, Mr. Vesting. I don't really have a question for you, and it doesn't appear that other Commissioners do, but I would certainly remind you — as Ms. Belser did at the beginning — the company officials are here, who were identified earlier. Also, Ms. Belser has some folks from South Carolina Office of Regulatory Staff, who can discuss some of these issues with you. Again, the Commissioners are not allowed to do so, but you do have two groups here tonight that I think would be good resources for you.

So, with that, sir, I thank you for your

1	testimony.
2	WITNESS: Thank you. I will discuss it with
3	them after the meeting.
4	CHAIRMAN WHITFIELD: That'd be great.
5	[WHEREUPON, the witness was excused.]
6	Next witness, Mr. Minges.
7	MR. MINGES: Charles Wood, would you please
8	come forward.
9	[Witness affirmed]
10	THEREUPON came,
11	CHARLES WOOD,
12	who, having been first duly affirmed, testified as follows:
13	MR. RICHARDSON: Please state your name and
14	address.
15	WITNESS: My name is Charles Wood. I live at 3
16	Cedarwood Court in River Hills and have been a
17	resident in this area for about 38 years. But more
18	important, I am Chairman of the Lake Wylie Chamber
19	of Commerce Board of Directors. Approximately
20	24,000 people now live in the Greater Lake Wylie
21	Area, and, obviously, the Chamber of Commerce does
22	not think that Carolina Water deserves a rate
23	increase, because the area is growing so rapidly.
24	We have over 2000 houses already approved by
25	York County Planning and Zoning, in Lake Wylie,

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that will come onto Carolina Water's system at no charge, meaning all they have to do is hook up the master meter to serve the subdivision. But the builders have had to put in the water lines and the sewer lines, which are then turned over to Carolina Water at no charge. How much further growth do we need in the area, as far as water is concerned? Yes, I understand that Carolina Water has spent \$13.9 million in improving their system. But of that, only \$200,000 was spent here in York County for an approximately 50-year-old system. Seems like it's chump change, getting Band-Aids to take care of the leaks and the problems.

As far as quality is concerned, I live at the end of a cul-de-sac and we have seen improvement in the quality of our water over the last couple of years, for which I'm grateful.

But, basically, those are the comments. We just do not think, with the rapid growth in the Lake Wylie area, that Carolina Water's system deserves a rate increase. Thank you.

CHAIRMAN WHITFIELD: Thank you, Mr. Wood.

Mr. Elliott, any questions of Mr. Wood?

MR. ELLIOTT: No questions of Mr. Wood.

CHAIRMAN WHITFIELD: Ms. Belser.

1	MS. BELSER: No questions.
2	CHAIRMAN WHITFIELD: Mr. Kendree, for York
3	County?
4	MR. KENDREE: Yes, please.
5	CHAIRMAN WHITFIELD: Yes, sir. Let me give
6	you this mic, if you don't mind, so our court
7	reporter can hear you [indicating].
8	MR. KENDREE: [Indicating.] Thank you, Mr.
9	Chairman.
10	CROSS EXAMINATION
11	BY MR. KENDREE:
12	Q Thank you, Mr. Wood. I was just curious if the Chamber
13	has taken this matter up, as a matter for consideration
14	as a full body?
15	A The Chamber is interested in this, but we have not — it
16	has not been before my board, as far as an official
17	position. But we're a 16-man board with 100 percent
18	attendance all the time, which is great, and they are
19	all equally concerned about the proposed rate increase
20	from Carolina Water Service.
21	MR. KENDREE: Thank you
22	CHAIRMAN WHITFIELD: Thank you, Mr. Kendree.
23	Commissioners, questions of Mr. Wood?
24	Commissioner Fleming.
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1		EXAMINATION
2	BY	COMMISSIONER FLEMING:
3	Q	Good evening.
4	A	Good evening.
5	Q	You said there are 2000 new homes coming in?
6	A	That have already been approved in York County to be
7		built here in Lake Wylie.
8	Q	And they'll be on Carolina Water Service?
9	A	That is correct.
10	Q	And they are putting in the pipes and all. What about
11		the systems used to deal with the water and sewer —
12		sewage?
13	A	It all goes to Rock Hill on a high-pressure sewer line.
14	Q	0kay, so —
15	A	— and it's treated there.
16	Q	Okay, so these homes will be — they will be treated just
17		like all the others.
18	A	That is correct.
19	Q	0kay.
20	A	As I understand.
21		CHAIRMAN WHITFIELD: Thank you, Commissioner
22		Fleming.
23		Commissioners?
24		[No response]
25		Well, hearing no further questions from

1	Commissioners, Mr. Wood, thank you for your
2	appearance and for your testimony. And you may
3	step down, sir.
4	WITNESS: Super. And let me simply say that
5	we appreciate the Public Service Commission coming
6	to Lake Wylie and Clover/Tega Cay area to hear us,
7	and it certainly is more efficient than all of us
8	going to Columbia. Thank you.
9	CHAIRMAN WHITFIELD: Thank you, sir.
10	[WHEREUPON, the witness was excused.]
11	Mr. Minges.
12	MR. MINGES: Thank you, Mr. Chairman.
13	Brian Augustine, would you please come
14	forward?
15	[Witness affirmed]
16	THEREUPON came,
17	BRIAN AUGUSTINE,
18	who, having been first duly affirmed, testified as follows:
19	MR. RICHARDSON: Please state your full name
20	and address.
21	WITNESS: Brian Augustine. 12 Duckhook. I
22	live in River Hills.
23	I came from Cabarrus County where I had a
24	home, two and a half years ago, and I sold it, came
25	here, and bought a house in River Hills. It was a

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mess. But I got into the plumbing in the house and I started noticing the plumbing was unbelievably horrible how it had built-up corrosion inside, so I replaced all the plumbing. I remodeled this house completely. And I put a whole-house filtration system on it by Aquasonic, which is rated number one for pulling out leads and arsenic and all the different things that can be in water today.

Every three months, I change the filter. has a post-filter and it has a pre-filter. that water comes in at the beginning of it, it is unbelievable. Next month when it comes up, or next time I change it, I'm sending them to the EPA, because the one on the backside, it looks like It's the color of — the filter, after it's gone all the way through the whole system, there's another filter before it enters the house, so there's two — a pre- and a post-filter. It's a very sophisticated system. It's a million-gallon whole-house filtration system. It's better than bottled water when it gets out the other side. But that filter on the backside as it comes out of the system, after it's already been through the prefilter, it looks like charcoal. There is something in the water, something black that's in the water.

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I wouldn't drink this water in River Hills if you paid me, okay? I'm sure that when I send these filters — because I've got proof; I've got a postfilter and a pre-filter — to the EPA, it's going to be amazing what's going to come out of this whole thing. Talking about lead? You guys are going to have Flint on your hands. Now you'll know about it. But five times in the last two years, they've called for boiling: "Don't use the water. Boil the water." Carolina Water. I didn't even get proper notification from those guys.

I went out there and watched this guy come by and read my meter. My meter is like that far [indicating] underwater. I've complained to them. I said, "I think the thing is leaking." No one ever looks at it. I went out the last time and said, "Did you read it?" He goes, "Yeah." I said, "How the hell you going to read it when it's about that far [indicating] under dark water?" This kid that comes by, he looks like he's smoking dope — I don't know.

But at any rate, if I were going to drink
this, like at McDonald's or anything else — you
talked about the quality of water. It's horrible.
If you saw the pipes in this house that was built

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in 1980, you would understand what I'm talking about. I replaced all the plumbing in the whole house, so it's all PEX now. But, you know, I also put a whole-house filtration system on it so this house won't have that problem again.

That's it. The quality of water stinks.

Horrible. So if they were going to be rated for a rate increase, the first thing they should do is maybe get their stuff together about the quality of this water. They really need to dig in and find out what's really going on with this water. And why is it so expensive, because I came from Cabarrus County and I paid \$40 - I couldn't - I had an irrigation system; it was a four-bedroom, two-and-a-half-bath house. I couldn't pass \$50 bucks a month, doing all that. Here, I can't get below \$100. So something's not right. And we're more water rich here than we were up there.

Anything else?

CHAIRMAN WHITFIELD: Mr. Augustine, if you're done with your testimony, before we take questions, I don't think you — for some reason, we didn't think to get your — if you could repeat your address for our court reporter, so we can get it on the record?

1	WITNESS: 12 Duckhook — D-u-c-k-h-o-o-k —
2	Circle. Duckhook Circle. And it's in River Hills.
3	I live here.
4	CHAIRMAN WHITFIELD: All right. I think we
5	got that.
6	Mr. Elliott, questions for this witness?
7	MR. ELLIOTT: No questions of Mr. Augustine.
8	CHAIRMAN WHITFIELD: Ms. Belser?
9	MS. BELSER: No questions.
LO	CHAIRMAN WHITFIELD: Mr. Kendree, York County?
L1	MR. KENDREE: No questions.
L2	CHAIRMAN WHITFIELD: Commissioners, questions
L3	of Mr. Augustine? Commissioner Bockman.
L4	EXAMINATION
L5	BY COMMISSIONER BOCKMAN:
L6	Q Good evening, Mr. Augustine. Thank you so much for your
L7	testimony. What contact have you made with the company
L8	looking to investigating this problem that you
L9	identified for us?
20	A Just the way that they treated this boil-water situation
21	was a joke, and they just don't give me the impression -
22	especially the guy that reads the meter — they don't
23	give the impression that they really are top-notch
24	[indicating] "professionals," so I'm not wasting my
) E	time. I mean, I am going to send my filters and have
25	time. I mean, I am going to send my firters and have

	somebody analyze them, because you won't believe it. I
	showed it to my neighbor, and he said, "Man, I'm not
	drinking this water." It's unbelievable how filthy it
	is. So there's — you know, the — you know, I understand
	you're going to have dissolved — undissolved particles
	in water, but the amount of stuff that's in the water
	here is horrible. So you want to come over to my house?
	I'll show you one of my filters.
Q	Mr. Augustine, I'm not sure I —
Α	Well, there it is, a very sophisticated water system.
	It's not — you know, and installed by a plumber, so it's
	not done second-rate, but it does a hell of a job
	cleaning out. But it's amazing what comes out of the
	water.
	COMMISSIONER BOCKMAN: Thank you, sir.
	WITNESS: Thank you.
	CHAIRMAN WHITFIELD: Thank you, Commissioner
	Bockman.
	[WHEREUPON, the witness was excused.]
	Next witness?
	MR. MINGES: Thank you, Mr. Chairman.
	Charles Wood.
	MR. WOOD: I already spoke.
	MR. MINGES: Okay. John Gauci? I'm sorry if
	I'm michronouncing your name

[Witness affirmed]

THEREUPON came,

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JOHN GAUCI,

who, having been first duly affirmed, testified as follows:

MR. RICHARDSON: State your name and address for the record.

WITNESS: John Gauci. 2 Blackberry Lane, Lake Wylie.

I'm going to add to what this gentleman was talking about: irrigation. When I first moved here, I realized that we were being charged to water grass for metered — the meter was — the sewer was being metered. Ridiculous. I was watering grass. I went to the expense of a plumber to put in a separate meter. Little did I realize the water company charged me additional money to look over six inches to read my irrigation meter. That's what I was being charged for. Additional \$15-\$17 a month, through the winter when not one drop was used.

Last meeting, here, I found out, "Mr. Gauci, we'll come and disconnect the meter for nothing, in November, and you will not be charged from November until you re-hook." I said, "That's great, do it." They did it. I found out to re-hook, which takes

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two minutes, \$35. So that's a grand total of maybe \$15. Is it worth it? I'm just trying to explain the integrity of this company, how they nickel-and-dime you.

I hooked up to my home water yesterday, because they changed it now: One flat rate for all water for the sewer. It ran me \$150 yesterday to re-hook what I once had, so they could keep their meter. I will not give them an additional \$180 a year, or whatever it is. I will not do it. I'd rather give it to the plumber, once, yesterday.

One other thing: I left Long Island, New York.

Very expensive state. Suffolk County Water, I had
the sprinklers going three times a week. Every
three months, approximately \$45. And I had two
children home. Now it's only my wife and myself.

When I first moved here, before we renovated, the toilet ran overnight. Over \$200. Come on.

I got a 2 percent Social Security increase this year. Nothing, last year. Two percent, Social Security. Medicare raised us 1½ percent. I made a half a percent. But that's my problem; that's not your problem. The water company is our problem, and it's a big problem. It's disgusting. I don't think — well, I don't like to say that,

1	because my wife loves it here, and so do I. But I
2	would think twice before I'd move into this area,
3	if I had to do it again. Sorry. Thank you.
4	[Applause from the audience]
5	CHAIRMAN WHITFIELD: Mr. Elliott, any
6	questions for this witness?
7	MR. ELLIOTT: No questions of Mr. Gauci.
8	CHAIRMAN WHITFIELD: Ms. Belser?
9	MS. BELSER: No sir, no questions.
10	CHAIRMAN WHITFIELD: Mr. Kendree, York County?
11	MR. KENDREE: No questions, thank you.
12	CHAIRMAN WHITFIELD: Commissioners, any
13	questions for Mr. Gauci?
14	[No response]
15	Well, hearing none, thank you for your
16	testimony and thank you for your participation.
17	WITNESS: Thank you.
18	[WHEREUPON, the witness was excused.]
19	CHAIRMAN WHITFIELD: Next witness?
20	MR. MINGES: Andrew Rivan, would you please
21	come forward?
22	[Witness affirmed]
23	THEREUPON came,
24	ANDREW RIVAN,
25	who, having been first duly affirmed, testified as follows:

MR. RICHARDSON: Please state your name and
address.
WITNESS: My name is Andrew Rivan. I live in
Autumn Cove Subdivision, 4189 Autumn Cove Drive.
I'm at the end of a cul-de-sac.
There were two things I wanted to touch base
with tonight; one has already been covered, the
flat fee for sewer. If I use \$20 worth of water,
I'm paying \$58; they want to up it another \$10-and-
some-change. I feel that's unfair.
Also, we have — I don't know if I'm being
singled out because we have a pump station next-
door to our house, but we were told that we had to
get insurance to cover their equipment if it were
to fail and damage our property. I feel that is
also unfair. I don't see how I should have to pay
when it's their equipment that they are supposed to
be maintaining. Especially when they're getting
all this money from everybody, which I think
they're not even entitled to in the first place.
So I don't know if anyone else has to get
insurance to cover their piping to their house, or
not, but like I said, I may be singled out because

there's a pump station next door. And after every

rain, our backyard smells like a sewer, so I think

1	the equipment does need to be looked at. And if it
2	does need serviced, I think that if they have to
3	dig up my backyard that I shouldn't have to pay,
4	because it's not my fault that your equipment
5	wasn't maintained properly.
6	That's pretty much all have to say.
7	CHAIRMAN WHITFIELD: Thank you, Mr. Rivan, for
8	your testimony.
9	Mr. Elliott, any questions for this witness?
LO	MR. ELLIOTT: No questions for Mr. Rivan.
L1	CHAIRMAN WHITFIELD: Ms. Belser?
L2	Hold on, Mr. Rivan. Hold on one second, Mr.
L3	Rivan.
L4	MS. BELSER: No questions.
L5	CHAIRMAN WHITFIELD: Ms. Belser?
L6	MS. BELSER: No questions.
L7	CHAIRMAN WHITFIELD: Mr. Kendree, York County.
L8	MR. KENDREE: No questions, Mr. Chairman.
L9	CHAIRMAN WHITFIELD: Commissioners, questions
20	of Mr. Rivan?
21	[No response]
22	Hearing none, thank you for your testimony and
23	thank you for your participation.
24	[WHEREUPON, the witness was excused.]
25	Next witness, Mr. Minges.

1	MR. MINGES: Ms. Linda Fick, would you please
2	come forward.
3	[Witness affirmed]
4	THEREUPON came,
5	LINDA H. FICK,
6	who, having been first duly affirmed, testified as follows:
7	MR. RICHARDSON: Please state your full name
8	and address.
9	WITNESS: Linda Hogan Fick. 3006 Shandon
10	Road, Rock Hill, South Carolina 29730.
11	CHAIRMAN WHITFIELD: Ms. Fick, if you don't
12	mind, could you pull that microphone up just a
13	little bit?
14	WITNESS: Up [indicating]?
15	CHAIRMAN WHITFIELD: Yes, ma'am, so our court
16	reporter and we can get this in the record. Thank
17	you.
18	WITNESS: This evening, I have a summary of
19	some of the points I wish to make.
20	CHAIRMAN WHITFIELD: Hold on just one second
21	and let Mr. Richardson help you just a minute.
22	MR. RICHARDSON: [Indicating.] Good?
23	WITNESS: If it's okay for you.
24	As I was saying, I have a summary of some of
25	the points I wish to express tonight, in three

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minutes, if I can. Otherwise, it's here in writing, along with some exhibits, that I'd like to present to the clerk for filing [indicating].

MR. RICHARDSON: [Indicating.]

I represent my fellow residents in WITNESS: Shandon Subdivision, which is part of Eastern York We've just finished an experiment in County. horror with Carolina Water Service and their predecessor, Utilities Services of South Carolina, concerning the water treatment plant that was established in Shandon Subdivision, and through neglect and poor maintenance practices, and so forth, the water company actually destroyed the lagoon with effluent levels so high that DHEC had to threaten to shut them down. They were given an opportunity to make amends and to try some different programs, but ultimately it was in such poor shape that it had to be replaced with a pocket treatment plant.

Now we have a problem with water and water quality and delivery and the flow rate, and I see this going the same way as the water treatment sewage situation went, where a lot of money is put into temporary Band-Aids by Carolina Water Service, and it's all for naught because, ultimately, they

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tend to allow situations to become so desperate
that there isn't any other choice but to scrap a
project or scrap the equipment and start all over.

One of the very irritating things that's occurring right now, concerning our water situation, they've closed two of the wells in Shandon. That leaves us with one well, which is allegedly putting out four gallons per minute, which is insufficient as far as DHEC is concerned. So they carry in water in a tanker that's coming from High Point, North Carolina. And that truck brings in 6000 gallons of water two to three times a week, to fill our 10,000-gallon tank. If there isn't room, they dump that water in the street along Shandon Road.

Since we've had a meeting with the water company, they have stopped dumping the water in the road in front of us, and they go somewhere else to dump that water, because they can't go back on the highway to get back to their home base with less than an empty truck, for safety reasons, because of the speed on the interstate. So we're watching to see if they will eventually get a new well dug, or if they are going to continue this bringing in water by tanker. It's just ridiculous that we also

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have to put up with the fact that we are under a mandatory ban on outside watering. And this has been going on since November 2015. So for almost three years now, we pay a flat fee for water and sewer, and we are not allowed to use the water for outside watering purposes. And now we're looking at facing another increase in the water-sewer rates and what have we got? Nothing. And we don't have any accommodation by the water company.

I think it's time that the Legislature actually look at this entire situation. But as a public utility, water and sewer providers need to realize that they are providing us service. This is not a business for profit. There should be no 8 to 9 to 10 percent profit margin for investors. This is a community service. It's a matter of stewardship for a basic essential commodity that every household needs. And it will assist the growth of York County and South Carolina if good, well-run, well-cared-for utilities can be placed within financial reach of ordinary homeowners and businessmen. Thank you.

[Applause from audience]

CHAIRMAN WHITFIELD: Ms. Fick, do you want to mark your testimony you gave our court reporter as

1	a hearing — would you like that marked as a hearing
2	exhibit?
3	WITNESS: Yes, please.
4	CHAIRMAN WHITFIELD: Okay. We will do it. So
5	ordered. We'll make that as a hearing exhibit.
6	WITNESS: I appreciate it.
7	[WHEREUPON, Hearing Exhibit No. 4 was
8	marked and received in evidence.]
9	CHAIRMAN WHITFIELD: And if you'll stay with
10	me just a minute to let me see if there are any
11	questions for you, Ms. Fick.
12	Mr. Elliott, questions for this witness?
13	MR. ELLIOTT: No questions of Ms. Fick.
14	CHAIRMAN WHITFIELD: Ms. Belser, any questions
15	from Office of Regulatory Staff?
16	MS. BELSER: No questions.
17	CHAIRMAN WHITFIELD: Mr. Kendree, York County?
18	MR. KENDREE: None from York County.
19	CHAIRMAN WHITFIELD: Commissioners, questions
20	of Ms. Fick? Commissioner Fleming.
21	COMMISSIONER FLEMING: Yes.
22	EXAMINATION
23	BY COMMISSIONER FLEMING:
24	Q Thank you for being here this evening. I appreciate
25	your testimony. Could you talk a little bit — I believe

- you said you had a meeting with Carolina Water Service concerning these issues?
- A Yes.

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Q Could you tell us, did you bring up the situation with the wells?

Yes, and they - Carolina Water Service - did initiate, after we'd been in the situation for about a year and a half, a proposed meeting at one of the area churches, not too far from Shandon, and for an open discussion where we could ask questions of the water company and see what was going on, what they had planned, because up until that point we had no idea what exactly they thought could be done. Unfortunately, we didn't agree with what they were doing, but they were attempting to open a dialogue. The problem I saw in attending the meeting was that, when questions were put to the representatives there speaking on behalf of Carolina Water Service, they had a tendency to say, "That sounds like a good idea." At the meeting was Willie Morgan, of the Office of Regulatory Staff, and he participated in suggesting, as did several homeowners, for the tanker situation, why not look for a local water supplier so that you're not having to empty a truck in order to get it back up to North Carolina, or look for a smaller size or Aspee tanker, or bring in a second storage tank so

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that instead of dumping that water across Shandon Road -
or wherever they're dumping it now — it could be placed
in storage and cut down the number of trips per week
that the tanker has to make to Shandon. So far, we
haven't heard anything.

- Q So, well, what you're saying, they haven't given you information, then, as to what they're planning to do to make the situation better?
 - They are they have already attempted to drill Well No. 1 and increase that capacity, which at the rate of four gallons per unit, there's probably no hope there. Well No. 2 was investigated to see if it could be deepened or sleeved, casings or material could help to penetrate the bedrock, and it still didn't produce groundwater, and that didn't pan out, and so that Well No. 2 has been closed. So now it's down to just one well, you might say, No. 3, which has never been very high on output. They also looked at and dug a well, which was not productive, at the old lagoon location, which is the water treatment package water treatment plant is right there. But with that proximity, I wasn't too surprised that they didn't strike any good water.

So then they were looking to buy land from a nearby or adjacent homeowner or farmer, and Mr. Calkins, who lives nearby, was agreeable to a temporary lease to

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allow Carolina Water Service to explore whether or not one of our two wells would be possible to produce enough water to meet the DHEC standards — which is about, I believe, 22 gallons per minute for a community water system. And the first well they dug only produced 12 gallons per minute. And I don't know for sure what the second well did, but I'm sure it wasn't any better, and they've abandoned that prospective site. So I guess they're waiting for some other land to turn available, or perhaps York County or Rock Hill Water Systems to be extended to Shandon. And in the meantime, we have the water tanker truck coming to the neighborhood.

So it is a possibility that you could get water from one of the nearby towns?

I would think so. They have to find a carrier, a supplier, to carry the water because the trucks have to be specially baffled, so they don't tip over going around a corner or something, because there's water sloshing around. That's why they can't drive it at the high speed out on the interstate with it only half full. It's more dangerous to drive with it with a little bit of water in it than to have it completely full as possible.

So I don't know what their next plan is. The homeowners, residents, made several suggestions. And

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- again, the response was, "Well, that sounds like it's possible." So, go for it.
 - **Q** So, you are staying in touch with ORS, as well, it sounds like, to move forward with the situation?
 - Yes, although the ball is in their court. Once again, this was not something that happened overnight. They've known, since Blue Ribbon Water first held the service for water and sewer, that there were problems with the And Utilities Services was also aware of three wells. And from 1997 onwards, the most — before this catastrophe, the more recent problem was in 2011, when DHEC found groundwater leaking - a water leak to the ground from our storage tank at Well No. 1. And their philosophy is, if it's leaking out, then the contaminants can get in, so they required that that leak either be fixed or the tank replaced. It took three years to get it replaced, and now we have a 5000-gallon tank, we have a 10,000-gallon tank. But it didn't take very long for them to develop contaminated water, we had frequent boil-water notices, and also E. coli breakouts, and quality is not that good. It's a real problem with the water, and it has been all the years that we've lived there.

COMMISSIONER FLEMING: Thank you.

CHAIRMAN WHITFIELD: Thank you, Commissioner

1		Fleming.
2		Commissioners, any other Commissioner
3		questions for Ms. Fick?
4		[No response]
5		EXAMINATION
6	BY	CHAIRMAN WHITFIELD:
7	Q	Well, if not, Ms. Fick, I've got a couple of kind of
8		follow-ups for you, myself, from Commissioner Fleming's
9		questions. I had in my notes you said you've been under
10		outside watering bans since November 2015. Is that
11		correct?
12	A	Yes.
13	Q	And when did this — the meeting that you — and you were
14		very informative. You provided a lot of information
15		here to Commissioner Fleming's question. When did this
16		meeting with the company take place?
17	A	That was May 30th of 2016.
18	Q	2016.
19	A	Oh, excuse me. 2017.
20	Q	2017. So last year.
21	A	Right. Because we went a year and a half where we could
22		see the trucks and we could guess what was going on, but
23		we never had any official word, and no one seemed to be
24		able to get ahold of a representative for a definitive
25		answer as to what was going on.

- Q And you said the ORS representative at that meeting was Mr. Willie Morgan.
- **A** Yes.

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Q Okay.

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- 5 A Ms. Belser was there, too, maybe. I might've missed you.
 - Well, okay, we've noted you said Mr. Morgan was there. The wells that Commissioner Fleming was asking you about, you talked about Well No. 2 and Well when you were answering her question, were you talking about two new wells that they were going to were you talking about the two other wells if I'm not mistaken, what you said, the two other wells were closed, those were closed permanently and these were two new additional wells in addition to the one working well that still serves you. Is that right?
- **A** Well, yes, in part. The subdivision had three wells.
- **Q** That's Shandon Road, in Rock Hill, right?
 - A Yes, and they are all located on Shandon Road. Some are across the road from one another. And I won't say that they're closed. They aren't capped or anything. They might be opened up and some new material found to shore up the casings, but right now it's not feasible. So they're going in search of new well locations and, basically, abandoning those three well sites that exist

now. Well No. 1 does not produce enough to really	make
it worthwhile for the electricity. And Well No. 2	is so
contaminated that DHEC won't allow it to be used.	And
No. 3, I don't really know for sure what its statu	ıs is,
other than it's always been a low-producing flow.	

- And your last understanding, they are pinning their hopes on leasing this property from a farmer that's adjacent to they're hopeful might produce the gallon per flow per minute necessary to provide to serve the Shandon area.
- A That's correct. They were hoping for that. But they drilled two wells, so far, and they've been unproductive. So I'm assuming that that situation or arrangement with that land has fallen through, that it was conditional on there being potable water available, in sufficient quantity to satisfy DHEC.

CHAIRMAN WHITFIELD: Well, thank you, Ms.

Fick, for your testimony. And, again, I would remind you what you already know; the company officials are in the room and ORS is in the room.

And after the hearing, after the Commission is gone, I certainly think both of those groups would be willing to talk with you. And, with that, if there's nothing further, you may step down.

WITNESS: Thank you.

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1	CHAIRMAN WHITFIELD: Thank you.
2	[Applause from audience]
3	[WHEREUPON, the witness was excused.]
4	Mr. Minges.
5	MR. MINGES: Thank you, Mr. Chairman.
6	Allison Love, would you please come forward.
7	[Witness affirmed]
8	THEREUPON came,
9	ALLISON LOVE,
LO	who, having been first duly affirmed, testified as follows:
L1	MR. RICHARDSON: Please state your name and
L2	address.
L3	WITNESS: My name is Allison Love. I live at
L4	697 Sandbar Point, Lake Wylie. This is — I feel
L5	like I'm really loud.
L6	CHAIRMAN WHITFIELD: No, you're fine. And we
L7	understand you wanted to speak last, since you're
L8	the County Council representative out here. And we
L9	are honoring your request.
20	WITNESS: Yes. Thank you for coming to
21	beautiful Lake Wylie, where we drink wine because
22	it's cheaper than water.
23	[Laughter]
24	CHAIRMAN WHITFIELD: It's not often we get to
25	laugh. Go ahead, Ms. Love.

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WITNESS: So, I do, I represent District Two, and was also a former customer of Carolina Water for 25 years, so I know firsthand some of the issues.

York County has just completed a two-year negotiation with Carolina Water Service. And, personally, I feel like their timing for this rate hike, having — you know, we've just signed a new contract with them for an additional 25 years, so their — their timing is horrendous. And if you look at the people in this room, there are about 90 people, each person here represents about 100 people because there are over 9000 customers of Carolina Water Service in York County. I represent the 4300 that live in District 2, which is Lake Wylie.

We're at a disadvantage because we've got a great County attorney — thank you, Michael Kendree, for being here tonight and for working with Carolina Water Service for the past two years — and a great head of our Public Works Department is here, but we're at a disadvantage as just individual people who feel like we should have clean, good, fairly priced water. And we're up against attorneys and people that, you know, they

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do this every day; they fight for higher rates every day. And we are not. Every time we have fought just to keep the rates that we already have, it's been denied.

So I have two concerns tonight: One is I think that the rate increase is unwarranted, because I do feel like they only put about \$200,000 into the as a capital investment in this area. I would like for you to look at that and consider that. asking for rate increases in three counties in South Carolina, yet we have not received the capital improvements that are deserving of a rate increase like this. My second concern is that they are asking to not have to come before the Public Service Commission for additional rate increases. My take on that is, anybody that is as greedy as they are in what they're asking for, please do not give them a blank check on the people that are in this room and the other, you know, 9200 people that they represent.

I'm looking at my notes, because they're kind of all over the place. I have suggested to Catherine Heigel, who is the new president of Carolina Water Service, that they do a water test. I think they maybe have time to do that between now

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and the public service hearing, maybe decision, on the first week of April. I would love for that to take place.

The two things that you, each of you, and I have in common: two words, public service. I get up every morning and I represent the people of my district to the best of my abilities. I return every phone call, every message. I was voted on to represent them, to fight for them. And that's why I'm here tonight, because I do not want them to be taken advantage of by a company like Carolina Water.

I appreciate y'all coming to Lake Wylie. I wish it were a little better weather and you could spend a little more time with us, maybe. But I just want to close with something that I learned, oh my gosh, maybe in the sixth or seventh grade. It's a little saying, and I thought, "That is ridiculous for them to make us memorize this." And that was: Water, water everywhere, and not a drop to drink.

Thank you for being here tonight.

[Applause from audience]

CHAIRMAN WHITFIELD: I'd like to thank you,
Ms. Love, for your testimony. If you could bear

1	with us just a minute to see if there are any
2	questions.
3	Mr. Elliott.
4	MR. ELLIOTT: No questions of Ms. Love.
5	WITNESS: Thank you.
6	CHAIRMAN WHITFIELD: Ms. Belser.
7	MS. BELSER: No questions. Thank you.
8	CHAIRMAN WHITFIELD: Mr. Kendree, do you have
9	any questions for this witness?
LO	WITNESS: He'd better not ask me a question.
L1	MR. KENDREE: She's under oath, right?
L2	CHAIRMAN WHITFIELD: Sir?
L3	MR. KENDREE: She's under oath, right?
L4	CHAIRMAN WHITFIELD: Yes, sir, she's under
L5	oath.
L6	[Laughter]
L7	MR. KENDREE: No questions, thank you.
L8	WITNESS: There are things he might like to
L9	know, though.
20	CHAIRMAN WHITFIELD: Commissioners, questions
21	for Councilman Love? Commissioner Fleming.
22	EXAMINATION
23	BY COMMISSIONER FLEMING:
24	Q Dare I go there, but you just signed a contract for 25
25	years with Carolina Water Service?

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- Α York County has, in good faith, signed a 25-year contract with Carolina Water. However, I want to add to that, that my intent over the next 12 to 18 months is to do the due diligence necessary to determine are we going to keep them as our water supplier or is York County going to buy them out. So everything that you've heard tonight from the people, all of these problems, I will accumulate everything in a book, and we will, as a County, make a decision in about a year to 18 months, as to what we want to do. My goal would be to have Carolina Water Service be a great water service and to work with the people of Lake Wylie and everybody be happy going forward. So I'm just going to evaluate that over the next, you know, year to year and a half, and we'll make that determination at the time. For them, it's an all-or-nothing. Okay. I know, as an elected official, too, a lot of Q times, a lot more — we heard a lot of groans when you
- 20 **A** Oh, yeah.
- 21 **Q** But a lot more goes into those decisions -
- 22 **A** Yes.
- 23 **Q** than is normally —

said that.

24 A There were very specific reasons why we did sign another 25 contract, and I've had meetings and I've shared that,

1	and I'm willing to share that with anybody and everybody
2	that wants to know more about that decision. At this
3	point, it was the best decision the County could make on
4	behalf of the people. We just want it to continue to be
5	the best decision, going forward.
6	Q Thank you for that.
7	A Thank y'all for being here.
8	CHAIRMAN WHITFIELD: Thank you, Commissioner
9	Fleming.
LO	Commissioners, any other questions?
L1	Commissioner Hamilton.
L2	COMMISSIONER HAMILTON: Mr. Chairman, I don't
L3	have a question, but I would like to compliment Ms.
L4	Love on being a politician that's here at the end
L5	of the meeting.
L6	[Laughter]
L7	WITNESS: Oh, was I supposed to go first?
L8	I've been going last for over a year now. Thank
L9	you.
20	CHAIRMAN WHITFIELD: I've been on the
21	Commission 10 years and you're the first elected
22	official to go last that I've ever seen.
23	WITNESS: Really?
24	CHAIRMAN WHITFIELD: So we thank you for your
25	participation.

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J	L† '	there	are	no	tur	ther	quest	tions	s tro)M
Commis	ssi	oners	, Ms	. Lo	ve,	we	thank	you	for	your
testin	non	y and	you	may	ste	ер с	lown .			

[WHEREUPON, the witness was excused.]

Before we wrap up, I'm going to turn this back over to our attorney, Mr. Minges. But, again, I think — I know I've said it at least once during this hearing. I would remind you, again, you have a unique opportunity tonight. The company officials are here and the South Carolina State Office of Regulatory Staff is here.

And I'm going to hand this to Mr. Minges, but he's going to go over the rest of the process. This is one of many night hearings that will be held in this case, and he's also going to mention what we call the merits hearing where the case will actually be heard in our courtroom, in our chambers, in Columbia. So I'm going to turn it over to Mr. Minges and give you some further instruction and process of how that goes.

MR. MINGES: Thank you, everybody, for coming out tonight, especially in the rain.

We do have two other night hearings that are scheduled in the docket. One is on March 13th; that's going to occur in Greenville. And the other

1	is March 15th, and that's in our offices at
2	Columbia. And then the company is going to present
3	its case to the Commission on April 4th. But,
4	please, just so you know, our policy is that you
5	only testify at one public hearing, so if you
6	testified tonight, then the other public hearings
7	are for people who haven't testified.
8	Thank you, Mr. Chairman.
9	CHAIRMAN WHITFIELD: Thank you, Mr. Minges.
10	And, again, we'd like to thank all of you for
11	your participation and for being here and for
12	coming out tonight.
13	Is there anything further from any of the
14	parties? Mr. Elliott.
15	MR. ELLIOTT: Mr. Chairman.
16	CHAIRMAN WHITFIELD: Yes, sir.
17	MR. ELLIOTT: Could we just review the hearing
18	exhibits, please, before we get out of here?
19	CHAIRMAN WHITFIELD: Yes, sir. If you'll hold
20	one second, all the parties, I'm going to ask Mr.
21	Minges to review the hearing exhibits for the
22	record.
23	MR. MINGES: Okay. The first hearing exhibit
24	is the sign-in sheets. The second exhibit was from
2 5	Mr Kehler: that's the water quality report And

1	the third exhibit was the information handed up by
2	Ms. Fick.
3	[Discussion off the record]
4	Okay, No. 3 was the newspaper article.
5	MR. ELLIOTT: And who had the newspaper
6	article? Mr. —
7	COURT REPORTER: Tansey.
8	MR. ELLIOTT: — Tansey? How about, if I may,
9	Mr. Ledford suggested he had a transcript, and I
LO	don't know if it was passed up or not.
L1	COURT REPORTER: It was passed up. We didn't
L2	mark that as an exhibit.
L3	MR. ELLIOTT: And would that then make Ms.
L4	Fick's exhibit No. 4?
L5	MR. MINGES: No. 4, that's correct.
L6	MR. ELLIOTT: Thank you.
L7	CHAIRMAN WHITFIELD: Ms. Belser.
L8	MS. BELSER: Mr. Chairman, I thought I
L9	understood Mr. Minges to say that the day hearing
20	is on April 4th, and I thought it was April 3rd.
21	CHAIRMAN WHITFIELD: I'll let Mr. Minges
22	address that.
23	MR. MINGES: Well, subject to check, then.
24	When I looked at the docket this morning, there was
25	no notation as to the 3rd, and it did have a

1	notation next to the 4th. So subject to check on
2	that, it does appear it is on the 4th, but if
3	there's a mistake with that, then —
4	CHAIRMAN WHITFIELD: Okay. Ms. Belser,
5	Commissioner Elam tells me it is April 3rd. And
6	that hearing will start at 10:30 a.m., Tuesday,
7	April 3rd. Again, there will be a public comment
8	time at the beginning of that hearing, as well.
9	Is there anything further from any of the
10	parties? Mr. Kendree, anything further from you?
11	MR. KENDREE: No, thank you.
12	CHAIRMAN WHITFIELD: Well, if not, again,
13	thank everyone for their participation, and the
14	hearing is adjourned.
15	[WHEREUPON, at 8:02 p.m., the hearing in
16	the above-entitled matter was adjourned.]
17	
18	[WHEREUPON, Hearing Exhibit No. 1 was
19	marked and received in evidence.]
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CERTIFICATE

I, Jo Elizabeth M. Wheat, CVR-CM-GNSC, Notary
Public in and for the State of South Carolina, do hereby
certify that the foregoing is, to the best of my skill and
ability, a true and correct transcript of all the proceedings
had and testimony adduced in a hearing held in the abovecaptioned matter before the PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA;

That the witnesses appearing during said hearing were sworn or affirmed to state the truth, the whole truth, and nothing but the truth;

IN WITNESS WHEREOF, I have hereunto set my hand and seal, on this the $\underline{21^{\rm st}}$ day of $\underline{\text{March}}$, 2018.

Jo Elizabeth M. Wheat CVR-CM/M-GNSC

Hearings Reporter, PSC/SC

My Commission Expires: January 27, 2021.